

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

SUMMARY

LEGISLATURE

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- 20 Language that directs Departments to pay for the cost of monitoring and reviewing new initiatives funded by the Tobacco Settlement Fund is deleted. Given that these audits will be performed by the Office of Legislative Services (OLS), the costs of such audits should be assumed by OLS.

DEPARTMENT OF COMMUNITY AFFAIRS

- 33 Portions of the language provision for the Thermal Imaging Camera Grant Program are deleted. A separate piece of legislation will provide a formula by which these funds will be allocated.
- 35 It was anticipated that the \$30,000,000 appropriation for supplementary Extraordinary Aid would be enacted as part of a fiscal year 1999 supplemental. Since it appears that this June 30, 1999 deadline will not be met, it is necessary to delete the portion of the language provision referring to July 1, 1999.
- 38 The \$150,000 appropriation for Fairfield Township (Essex County) – Tax Appeal Amelioration is eliminated. The Extraordinary Aid program provides funds, where appropriate, to address hardships resulting from tax appeals.
- 39 The \$100,000 appropriation for Glen Ridge – Locomotion 2000 Train Station Restoration is reduced to \$30,000. Based on information provided to the administration, \$30,000 is sufficient to fund this project.
- 43 The \$400,000 appropriation for the Preservation of Russell Hall, Hun School, Princeton is reduced to \$200,000. Based on information provided to the administration, \$200,000 is sufficient for this project.
- 43 The \$950,000 appropriation for the Public Safety Training Center is reduced to \$700,000. Based on information provided to the administration, \$700,000 is sufficient for this project.
- 45 The \$300,000 appropriation to the Voorhees Township Police Building is reduced to \$65,000. Based on information provided to the administration, \$65,000 is sufficient for this project at this time.
- 45 The \$200,000 appropriation for Nutley Park Development is eliminated. This project is funded through a duplicate appropriation in this act.

DEPARTMENT OF CORRECTIONS

- 49 Language imposing requirements on the prescription of drugs for the delivery of mental health treatment services is deleted. The Department of Corrections, in consultation with mental health professionals, will determine the most effective mental health treatment for inmates.
- 54 An additional appropriation of \$130,000 for air conditioning the gymnasium and the housing units of the Adult Offender Boot Camp is deleted. Air conditioning for inmates is not considered a priority for capital funding.

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- 56 Language requiring a report on staffing and plan implementation is deleted. The Department of Corrections, in conjunction with the National Institute of Corrections, is currently conducting a staffing analysis and will notify the Legislature of its conclusions.
- 57 Language prohibiting changes in perimeter guard staffing levels resulting from perimeter security enhancements is eliminated. The Commissioner of Corrections is responsible for managing the State's prisons and will make recommendations based on the staffing analysis it is currently conducting.

DEPARTMENT OF EDUCATION

- 64 Language requiring Abbott districts to pay the full amount of parity dollars for students attending boarding charter schools located in an Abbott district is deleted. This provision is technically incorrect and would have an unanticipated fiscal impact on the Trenton school district.
- 67 The \$20,000 appropriation for St. Patrick's High School is eliminated. This appropriation for routine maintenance is not a funding priority. This budget includes an additional \$8 million appropriation for aid to non-public schools.
- 71 Language preventing the Commissioner of Education from conducting an audit of any grant awarded by the Department of \$25,000 or less, unless there is evidence of mismanagement or impropriety, is deleted. The Commissioner of Education is prepared to address concerns regarding these requirements through administrative action.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

- 80 The appropriation of \$782,000 for restoration of Thomas A. Edison Memorial Tower is deleted. The fiscal 2000 budget provides \$250,000 for the design phase of the renovations to Edison Tower. It would be premature to appropriate additional funding for the construction phase of the renovation at this time.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

- 88 Language prohibiting family planning agencies from using State funds to pay for legal challenges to State law or regulation is deleted. Although this language may have some merit in concept, it should not be applied to only one of the State's many grant programs.
- 94 Language regulating nursing home reimbursement is deleted. Regulations regarding the reimbursement of general service cost screens will become effective July 1, 1999.
- 94 Language requiring that no change in reimbursement methodology be made to Medicaid nursing homes below what is appropriated is deleted. The language would have restricted efforts to comprehensively design and implement a new nursing home rate setting system.
- 94 Language that supercedes current Department regulations governing reimbursement rates to nursing homes is eliminated. This language would exempt nursing homes with high Medicaid occupancy from adhering to any limit for their reimbursable general service costs, and would allow these nursing homes to continue to bill taxpayers twice for equipment expenses. This language would have resulted in increased costs of approximately \$17.4 million in fiscal 2000.

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DEPARTMENT OF HUMAN SERVICES

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- 101 Language that would enable counties to use State Aid appropriations to expand the number of psychiatric hospital beds and to apply for a Certificate of Need (CN) on an expedited basis is eliminated. This language is eliminated because it hinders the State's ability to properly determine the needs of the mental health service delivery system and because it is unfair to exempt certain classes of providers from a full and proper review while other classes are not exempt.

DEPARTMENT OF LABOR

- 133 Language that allocates funding from the Workforce Development Fund to the Sheltered Workshop Transportation program which is then transferred to the Department of Transportation is deleted in its entirety. This is an inappropriate use of these funds.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

- 148 This item is eliminated in its entirety. The Governor has signed legislation providing \$580,000 in funding for the World War II Memorial.

DEPARTMENT OF STATE

- 154 The appropriation for the Waterloo Foundation Historic Interpretive Program is deleted. The foundation may apply for operational funding through available grant programs.
- 158 The General Institution Operations, UMDNJ increased appropriation of \$600,000 for the New Jersey Area Health Education Program is reduced to \$450,000. Based on information provided to the administration, \$450,000 is sufficient for this project at this time.
- 159 The language for the New Jersey Area Health Education Program is modified to reflect the reduction in the appropriation.
- 160 The General Institution Operations line is reduced by the \$750,000 added for the School of Engineering and the Camden Urban Center at Rowan University. These items are funded in Rowan University's base budget in fiscal 2000, which includes a 3.5% increase in State aid provided to all senior colleges and universities, an increase that is twice the rate of inflation.
- 164 The appropriation of \$4,000,000 for the purchase of land in Newark for the New Jersey Institute of Technology is reduced to \$3,000,000. The administration has worked with higher education institutions to develop a comprehensive program to address capital construction needs. Existing resources will be supplemented by \$550 million in new bonding capacity for capital construction needs at these institutions.

DEPARTMENT OF TRANSPORTATION

- 170 Language specifying the number of traffic locations (10) that the Department must identify is deleted. In April 1998, the Department of Transportation identified the 40 most congested traffic locations in the State in conformance with the Governor's Transportation Vision Plan.
- 176 Language appropriating funds from the Transportation Trust Fund for Route 22 is eliminated. The Department has identified resources within its existing budget to perform this study.

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DEPARTMENT OF TREASURY

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- 180 Funding of \$150,000 for the Discrete Mathematics Institute at the Institute for Advanced Study is reduced to its fiscal 1999 level of \$100,000.
- 180 The \$987,000 appropriation for the Research Under Contract with the Coriell Institute of Medical Research, Camden is reduced to \$787,000. The Coriell Institute received a \$5 million State loan in fiscal 1999, and is scheduled to receive another \$515,000 State loan for economic development; therefore, additional funding is not recommended at this time.
- 181 The appropriation for the Washington Center for Internships and Academic Seminars is deleted. Funding for such a program is more appropriate from private sources.
- 181 The appropriation of \$300,000 for the Television Equipment at Mercer County Community College is eliminated. County colleges are receiving significant increases in direct state operating aid in fiscal 2000.
- 181 Funding of \$16,000 for the Brookdale Community College – Television Production Equipment is eliminated. County colleges are receiving significant increases in direct state operating aid in fiscal 2000.
- 182 Language for the Washington Center for Internship and Academic Seminars is deleted to reflect the elimination of the appropriation.
- 182 Funding of \$150,000 for the Multi-County Regional Institution of Higher Education Feasibility Study is deleted. Requests for funding should be coordinated through the Commission on Higher Education.
- 183 Language for the Multi-County Regional Institution of Higher Education Feasibility Study is deleted to reflect the elimination of the appropriation.
- 183 The \$806,000 appropriation for International Accounts Managers and Foreign Trade Offices is reduced to \$400,000. This increase will enable the New Jersey Commerce and Economic Growth Commission to expand its current level of effort for International Trade by nearly 50 percent.
- 185 Language which provides an appropriation of \$2,000,000 to support an export finance company is eliminated. The International Trade Program, operated by the New Jersey Commerce and Economic Growth Commission, provides sufficient export financing services to businesses in the State.
- 190 Language prohibiting the use of appropriations made to the Division of Taxation to fund sales tax audits unless the Division uses audit methods prescribed by the Legislature is eliminated. This language inappropriately restricts the ability of the Division of Taxation to enforce the State's tax laws.
- 196 Language that would require funds for Solid Waste Management -- County Environmental Investment Debt Service Aid to be approved by the Joint Budget Oversight Committee (JBOC) prior to disbursement is eliminated. Language requiring JBOC approval could delay the funding for emergency solid waste debt service aid. The administration will continue to cooperate with the Legislature in providing information about this program.

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198 Language which appropriates \$250,000 from the Drug Enforcement and Demand Reduction Fund (DEDR) to fund the First Night New Jersey Coalition is revised. Resources from DEDR are statutorily dedicated to fund alcohol and drug abuse programs. This program is more appropriately funded with General Fund resources.

GENERAL PROVISIONS

281 Language prohibiting anti-smoking initiatives from being funded by the General Fund if Tobacco Settlement revenue is not received is eliminated. Deletion of this language provides the Director of the Division of Budget and Accounting with the authority to appropriate General Funds to support these programs as appropriate.

Respectfully,

/s/ Christine Todd Whitman

Governor

Attested:

/s/ Richard S. Mroz

Chief Counsel